

*LAFOURCHE PARISH FIRE
PROTECTION DISTRICT NO. 5*

ANNUAL FINANCIAL REPORT

*AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2000*



**LAFOURCHE PARISH FIRE PROTECTION
DISTRICT NO. 5**

ANNUAL FINANCIAL REPORT
As of and for the Year Ended December 31, 2007

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FINANCIAL SECTION



STAGNI & COMPANY, LLC

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Of the Lafourche Parish Fire Protection District No. 5

We have audited the accompanying general-purpose financial statements of Lafourche Parish Fire Protection District No. 5, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 2001, as listed in the table of contents. These general-purpose financial statements are the responsibility of Lafourche Parish Fire Protection District No. 5's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The general-purpose financial statements referred to above do not include financial data of the general fixed asset account group, which should be included in order to conform to accounting principles generally accepted in the United States of America. The amount that should be recorded in the general fixed assets account group is not known.

In accordance with Government Auditing Standards, we have also issued a report dated June 8, 2002, on our consideration of the Lafourche Parish Fire Protection District No. 5's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

In our opinion, except for the effects on the financial statements of the omission described in the preceding paragraph, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Lafourche Parish Fire Protection District No. 5, as of December 31, 2001, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Stagni & Company

Thibodaux, LA
June 17, 2002

207 Jumeau Avenue
Thibodaux, LA 70301
Phone (504) 441-7125
Fax (504) 446-5852

21 Jumeau Road, Suite 210
St. Rose, LA 70067
Phone (504) 456-1258
Fax (504) 456-1475

Accounting Services/Consultants
Member: AICPA & IFPA
E-Mail: stagni@stagni.com
800.868.8127 / <http://www.stagni.com>

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5**Balance Sheet - General Fund****December 31, 2001**

	<u>Governmental Fund Type</u>
ASSETS	
Cash	\$ 27,871
Ad valorem taxes receivable	5,871
Due from Sheriff	<u>38,727</u>
Total assets	<u>\$ 72,368</u>
LIABILITIES & EQUITY	
Liabilities:	
Accounts payable	\$ 310
Deferred revenue	<u>44,887</u>
Total liabilities	<u>45,197</u>
Equity:	
Fund balances:	
Unreserved - undesignated	<u>27,360</u>
Total equity and other credits	<u>27,360</u>
Total liabilities and fund equity	<u>\$72,368</u>

See notes to financial statements.

LAFORCHE PARISH FIRE PROTECTION DISTRICT NO. 3

**Statement of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual**

General Fund

For the year ended December 31, 2001

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Taxes - ad valorem	\$43,750	\$43,750	\$0
Intergovernmental:			
Insurance rebate	11,180	11,179	19
Interest	100	80	(20)
Total Revenues	<u>\$54,930</u>	<u>\$54,909</u>	<u>\$21</u>
EXPENDITURES			
General government - current:			
Watson's Comp Insurance	808	800	8
Office supplies	308	357	49
Gasoline/Diesel/Gl	1,508	990	518
Operating supplies	4,808	3,367	1,441
Utilities	2,408	2,357	51
Telephones	908	334	574
General liability insurance	1,528	1,437	91
Management liability insurance	580	428	152
Physical plant insurance	3,080	1,644	1,436
Police proceedings	280	181	99
Membership dues	80	0	80
Community relations	1,150	581	569
Audit & Accounting fees	4,380	4,280	100
Building maintenance	2,580	850	1,730
Travel & training	1,200	1,084	116
Communication equipment repairs	800	160	640
Vehicle maintenance	6,800	6,343	457
Equipment repair & maintenance	1,800	528	1,272
Ad valorem tax deductions	2,358	2,328	30
Total current expenditures	<u>35,658</u>	<u>28,458</u>	<u>7,200</u>
Capital expenditures	14,000	7,483	6,517
Total expenditures	<u>49,658</u>	<u>35,941</u>	<u>13,717</u>
Excess (deficiency) of revenues over expenditures	<u>\$5,980</u>	<u>\$19,061</u>	<u>\$13,081</u>
FUND BALANCES			
Beginning of year	8,280	8,280	(0)
End of year	<u>\$14,180</u>	<u>\$27,341</u>	<u>\$13,161</u>

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS For the year ended December 31, 2001

The Lafourche Parish Fire Protection District No. 5 was organized under Louisiana Revised Statute 40:1493. The District has all the rights and powers and privileges granted by and conferred by the Constitution and Statutes of the State of Louisiana, including the right to incur debt, issue bonds, and levy taxes. The services provided by the District include acquiring, purchasing, constructing, improving, maintaining, and operating fire protection facilities and equipment, and obtaining water for fire protection purposes in said Fire Protection District of the Parish of Lafourche, State of Louisiana.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Lafourche Parish Fire Protection District No. 5 (the District) conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies:

A. Reporting Entity

Under Governmental Accounting and Financial Standards Section 2100, the financial reporting entity consists of the primary government and its component units. As the governing authority of the parish, the Lafourche Parish Council is considered to be the primary government for financial reporting purposes for the Parish of Lafourche.

Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the council to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the council.
2. Organizations for which the council does not appoint a voting majority but are fiscally dependent on the council.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The District is considered a component unit of the Lafourche Parish Council, if applying the criteria above. This decision is based on the fact that the Parish Council appoints the voting majority of the Board of Commissioners of the District.

B. Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Governmental Funds

Governmental funds are those through which the governmental functions of the District are financed. The acquisitions, use, and balances of the District's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of change in financial position, rather than upon net income determination. The Governmental Funds of the District are as follows:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement bases applied.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

All valorem taxes are considered "measurable" at the time of levy. Insurance rebates, miscellaneous revenues and interest are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

D. Operating Budgetary Data

Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all governmental fund types and lapse at year-end. The budget is amended by supplemental appropriations as needed during the year to comply with state law.

E. Bad Debts

The financial statements for the District contain no allowance for bad debts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would seem to indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operation of the Fund.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Accruals

The District does not utilize accrual accounting; under which purchase orders, contracts, and other commitments are recorded in the District's book. The District is on a cash basis for daily operations and this method of accounting is not considered efficient or useful.

G. Reserves and Designations of Fund Balances

Reserves on the governmental funds represent portions of fund balances that are not appropriate for expenditures or have been segregated for specific future uses, while designations of fund balances represent tentative plans for financial resource utilization in a future period.

H. Cash and Deposits

Under state law, the District may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the District may invest in United States bonds, treasury notes, or certificates.

State law also recognizes that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security deposits. Obligation furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. The Account Group is not a fund. It is concerned only with the measurement of financial position, not with the measurement of results of operations.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including bridges, curbs, etc. are not capitalized. No depreciation has been provided on general fixed assets. Interest costs on fixed assets are not capitalized.

The general-purpose financial statements do not include financial data of the general fixed asset account group, which should be included in order to conform to accounting principles generally accepted in the United States of America. The amount that should be recorded in the general fixed assets account group is not known.

1. Long Term Debt

The accounting and reporting treatment applied to long-term obligations associated with a fund are determined by its measurement focus. Long term obligations expected to be financed from governmental funds are accounted for in the General Long Term Debt Account Group, not in the governmental funds.

The Long Term Debt Account Group is not a "fund". It is concerned only with the measurement of financial position, not with the measurement of results of operations.

The District has no long-term obligations at year-end.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2 DEPOSITS AND INVESTMENTS

At December 31, 2001, the District has reported deposit balances (all deposits) of \$23,671 and bank balances totaling \$28,721. These deposits are stated at cost, which approximates market. Under state law, federal deposit insurance or the pledge of securities owned by the fiscal agent bank must secure these deposits for the resulting bank balances. The District's deposits are secured from risk by federal deposit insurance.

Note 3 AD VALOREM TAXES

Ad Valorem taxes are levied each December 1 on the assessed value listed as of the prior January 1 for all real property, merchandising, and movable property located in the Parish. The Lafourche Parish Assessor's Office and the State Tax Commission at the percentages of actual value as specified by Louisiana law establish assessed values.

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the list of January 1, 2000. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 2000 on which the 2001 taxes were levied was \$5.64 per \$1,000 of assessed valuation of property within Lafourche Parish Fire Protection District No. 5 for the purpose of maintaining and operating the facilities and programs for the District.

Note 4 COMPENSATION OF BOARD MEMBERS

No compensation was paid to Board Members during the year ended December 31, 2001.

Note 5 DEFERRED REVENUE

The amounts of accounts receivable and deferred revenue consisted of the 2001 ad valorem taxes levied and assessed to be used for the 2002 fiscal year operations.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 6 RISK MANAGEMENT

The District is exposed to various risks of loss related to tort, theft of, damage to, or destruction of assets; errors and omissions; and injuries to the public; and natural disasters. To protect against these risks, the District has purchased commercial or other insurance for the losses to which it is exposed.

Note 7 SUBSEQUENT EVENT

The Bayou Blue Fire Protection District (Terrebonne Parish) and the Lafourche Parish Fire Protection District No. 5 are currently in the process of consolidating the two districts to create a multi-parish Fire Protection District. In May 2001, Louisiana Senate Bill 647 was passed to consolidate the Bayou Blue Fire Protection District and the Lafourche Parish Fire Protection District No. 5 into one seven-member Board, four appointed by the Lafourche Parish Council and three appointed by the Terrebonne Parish Council. At the present time, The Board is waiting on the legal description of the boundaries to be completed by the attorneys before the consolidation process can continue.

REPORTS REQUIRED BY GOVERNMENT
AUDITING STANDARDS



STAGNI & COMPANY, LLC

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners,
Lafourche Parish Fire Protection District No. 5

We have audited the general-purpose financial statements of the Lafourche Parish Fire Protection District No. 5, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 2001, and have issued our report thereon dated June 17, 2002, which was qualified due to the omission of the general fixed asset account group. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Lafourche Parish Fire Protection District No. 5's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards, which is described in the accompanying schedule of findings and questioned costs as item 2001-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lafourche Parish Fire Protection District No. 5's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

To the Board of Commissioners
Lafourche Parish Fire Protection District No. 3
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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the organization, the Lafourche Parish Council, and any awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Stagni & Company

Thibodaux, LA
June 17, 2002



Lafourche Parish Fire Protection District No. 5
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2001

We have audited the financial statements of the Lafourche Parish Fire Protection District No. 5, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 2001, and have issued our report thereon dated June 17, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2001 was qualified due to the omission of the general fund asset account group.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ☐ Yes ☒ No Reportable Conditions ☐ Yes ☒ No

Compliance

Compliance Material to Financial Statements ☒ Yes ☐ No

b. Federal Awards: N/A

Internal Control

Material Weaknesses ☐ Yes ☒ No Reportable Conditions ☐ Yes ☒ No

Type of Opinion On Compliance: Unqualified ☒ Qualified ☐

For Major Programs: Disclaimer ☐ Adverse ☐

Are their findings required to be reported in accordance with Circular A-133, Section 510(a)? ☐ Yes ☒ No

c. Identification of Major Programs:

CFDA Number (s)	Name of Federal Program (or Cluster)

Dollar threshold used to distinguish between Type A and Type B Programs:

\$ _____

Is the auditor a 'low-risk' auditor, as defined by OMB Circular A-133? ☐ Yes ☒ No

Lafourche Parish Fire Protection District No. 5

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended December 31, 2001

(Continued)

Section of Financial Statement Findings

1001-ASSET RECORDS

CRITERIA: Louisiana law requires "The head of every audited subject to examination and audit under the provisions of R.S. 34:513(A) shall maintain records of all land, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable. The records shall include information as to the date of purchase of such property or equipment, the initial cost, the disposition, if any, the purpose of such disposition, and the recipient of the property or equipment disposed of. When ascertaining the exact cost, exact selling price, or any other relevant information on property or equipment obtained prior to January 1, 1993, creates a hardship on the auditee, such agency may provide estimates of the information. The records shall be made available to the legislative auditor or, when the audit is conducted by a certified public accountant, the certified public accountant, at the time of examination and audit of the auditee, or any such time as the legislative auditor or certified public accountant requests the copies of such records be furnished. The records shall not include office supplies. Said records shall be used as one of the criteria in determining the rating that the auditee will be given."

CONDITION FOUND: The District had no such records available for the year-ending December 31, 2001.

EFFECT: The District did not comply with the above law.

CAUSE: An asset inventory is maintained by the Fire Chief however, it was not available for this audit.

QUESTIONED COSTS: Unknown.

RECOMMENDATION: The District secure records of all land, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable. The records should include information as to the date of purchase of such property or equipment, the initial cost.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5**Summary Schedule of Prior Year Findings****For the Year Ended December 31, 2001**

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
2000-1 ASSET RECORDS (The District did not have asset records available for the year ending December 31, 2000 or 2001.)	Unresolved. See corrective action plan.
MATERIAL TO FEDERAL AWARDS	
NOT APPLICABLE	
SECTION III - MANAGEMENT LETTER	
None Issued	

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 5**Corrective Action Plan**

For the Year Ended December 31, 2001

FINDING:	CONTACT PERSON	CORRECTIVE ACTION PLANNED	ANTICIPATED COMPLETION DATE
2001-1 ASSET RECORDS The District did not have asset records available for the year ending December 31, 2000 or 2001.	Wanda LeCompte Accountant (805-594-5277)	Asset records of the District will be updated so that the requirements of LA R.S. 24:815(A) and GAOB 24 can be met.	12/31/02